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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

Jason D. Oxman
Senior Government Affairs Counsel

13 March 2000

Magalie Roman Salas
Secretary
Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20554

Re: CC Docket No. 98-184, *In the Matter of GTE Corp., Transferor, and Bell Atlantic Corp., Transferee, for Consent to Transfer Control*

Dear Ms. Salas:

On March 13, 2000, the undersigned, together with Sarah Kim Bradley, Antony Petrilla, and Bogdan Szafraniec of Covad Communications Company (Covad), met in person and via telephone with Jake Jennings, Michael Jacobs, and John Stanley of the Policy and Program Planning Division of the Common Carrier Bureau, to discuss matters related to the above-mentioned docket. Specifically, Covad presented several arguments related to operations support systems (OSS) issues raised in the context of the proposed merger of Bell Atlantic and GTE.

The Commission must impose the same procompetitive OSS requirements on a combined Bell Atlantic/GTE that were imposed on SBC/Ameritech. While Bell Atlantic and GTE have agreed to certain provisions of the SBC/Ameritech conditions, they refuse to abide by the most procompetitive of those provisions. In particular, Bell Atlantic and GTE contend that adopting uniform OSS interfaces across the Bell Atlantic and GTE regions would be prohibitively expensive and would take years to implement. At the outset, these objections echo the same objections raised by Bell Atlantic and GTE to line sharing – inflated cost and time estimates that fail to address the actual merits of the requirement. Because Covad is a nationwide competitive LEC, offering service through the Bell Atlantic and GTE regions, Bell Atlantic and GTE have been the most obstinate in refusing to implement required OSS changes. Every BOC except Bell Atlantic (and GTE, the pseudo-BOC) has committed to a tight and definite timetable for implementing EDI interfaces for pre-ordering information. As a data LEC, Covad must have access to

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loop pre-order information for each and every customer, in order to determine what services are available to that customer. As detailed in Covad's March 6, 2000 *ex parte* in this docket, GTE has outright refused to implement the industry-standard OSS pre-ordering interface that every BOC has agreed to implement – EDI. Rather, GTE takes the position that a GUI-based web browser is sufficient for competitive LECs. Covad cannot integrate its order and pre-order systems, as the Commission's rules require incumbent LECs to facilitate, without access to a true electronic OSS interface like EDI. At the same time, Bell Atlantic has refused to provide Covad an implementation schedule for pre-ordering EDI deployment, except to say that it doesn't expect to request and receive any software updates from Telcordia until Fall 2000. Given that Bell Atlantic and GTE are acting in such an anticompetitive manner as separate entities, the powerful combination of those two companies will only serve to impose further harm on competitive LECs. This was the conclusion the Commission reached in the SBC/Ameritech merger order. Only through use of the same concrete implementation schedule for Bell Atlantic/GTE can the Commission ensure that the combined entity will end its discriminatory OSS practices. Specifically, the Commission should require Bell Atlantic and GTE, within 30 days of the merger closing, to submit a plan of record to competitive LECs and the Commission outlining their proposed OSS changes to implement a uniform, region-wide EDI interface. Bell Atlantic/GTE should then have 90 days from the completion of that plan of record to actually implement that uniform OSS in every Bell Atlantic/GTE state. Should Bell Atlantic/GTE fail to meet that 90-day deadline, they must be subjected to a \$10,000 per day per state penalty for every day past the deadline that they have not implemented that interface.

Timelines for Compliance. Covad recommends that the FCC define distinct phases for compliance with merger conditions. Each phase should have a start and completion date. The completion date would trigger a review of the progress and evaluation of level of compliance. It is recommended that the evaluation criteria be developed by the CLEC community prior to the start of each phase. For example one evaluation criterion might be to migrate 10 UNE-P customers in 3 different states with no changes to the Service and Equipment sections of the LSR. Another evaluation criterion might be to retrieve exact Loop Make Up information for 10 different addresses in 3 different states with only a change to the address on the EDI pre-ordering request.

Penalties for Non-compliance. Covad also recommends that significant penalties be levied on Bell Atlantic and GTE for non-compliance. The level of effort applied to compliance has a direct correlation to the consequences of non-compliance. The suggestion that uniformity of OSS across the Bell Atlantic and GTE regions may be difficult if not impossible to achieve is not valid. Covad and other competitive LECs are not asking Bell Atlantic and GTE to completely rework their back office legacy OSS; rather, we simply seek a uniform OSS interface, developed pursuant to industry standards, that permits competitive LECs to interface with the merged Bell Atlantic and GTE as one company rather than two. The combination of Bell Atlantic and GTE is certainly a powerful enough entity to be capable of developing, at low cost and in rapid fashion, a uniform, industry-standard EFI interface that permits competitive LECs to

deploy their own side of the interface in the same manner for all interactions with the merged entity.

Enhancements to existing OSS interfaces. Covad has not received very much cooperation from Bell Atlantic and GTE in obtaining information about the respective companies' plans for compliance with OSS requirements of the UNE Remand Order. These are the only two ILECs that have not committed to any timeframes for compliance. Both companies should be notified that waiting for the merger before complying is not an option. The current interfaces should be enhanced while plans for uniformity are developed. In addition, Bell Atlantic and GTE must implement immediate OSS changes necessary for deployment of linesharing OSS capabilities, subject to a specific deployment timetable that fits the Commission's June 6, 2000 deadline for linesharing implementation.

Technologies - Technologies that must be supported for Pre-Ordering include Interactive Agent SSL3, EDI, Corba, Graphical Interface. For Ordering: Interactive Agent SSL3, EDI, Corba, Graphical Interface. For Trouble and Maintenance: CMISE/CMIP, Corba, Graphical Interface.

Flow Through of OSS ordering. Some ILECs such as Pac Bell and Ameritech have achieved some success in this area. Flow through of orders, as the Commission has repeatedly recognized, is crucial to the ability of competitive LECs to submit error-free orders for timely processing by incumbents. As it stands today, Bell Atlantic and GTE representatives retype orders submitted by Covad and other competitive LECs into their back office systems, which increases the risk of errors and delays order provisioning. Bell Atlantic and GTE should flow through at least 90% of Covad's orders within 90 days of the merger's closing date.

Loop Qualification – Pre-Order OSS. Competitive LECs should be allowed to make on-site visits with Bell Atlantic/GTE operations staff to review OSS systems. That is the only way for the CLECs to be able to detail loop qualification requirements to the ILECs. SBC has agreed to such visits in its merger collaboratives. In addition, Bell Atlantic and GTE should not be permitted to charge a per-inquiry fee for loop qualification when the data is found in a mechanized database. From an OSS perspective, loop qualification is not any different than the other pre-ordering functions such as address validation and telephone number inquiry.

Testing Environment - Bell Atlantic has only recently made any effort to deploy a true testing environment for OSS interfaces. GTE still has not. Testing environments are critical to more efficient integration of OSS.

Uniform OSS interfaces. Competitive LECs should be allowed to review the requirements for OSS enhancements given to internal ILEC teams and third party OSS vendors. This would allow the CLECs to verify that CLEC requirements are being communicated properly. The CLECs should also be allowed to review the time and cost estimates received by the ILEC from internal teams and third party OSS vendors to verify

that what is being proposed matches CLEC needs. The disparity between Bell Atlantic and GTE OSS is a poor excuse for not complying with this condition. It is much easier for the ILECs to create a uniform interface than it is for the CLECs to develop a uniform gateway, since both companies understand their systems much better. This reasoning in the SBC/Ameritech merger conditions is equally applicable to Bell Atlantic/GTE.

OSS Change Management. The ILECs must implement one change management process across all states and regions. Furthermore, the ILECs must better manage the frequency of software releases. Again, the deployment of different business rules and change management processes in different states for the same ILEC is designed simply to raise CLEC costs and thwart competition. Bell Atlantic and GTE, as a merged entity, should not be permitted to impose such anticompetitive measures on competitors.

Population of Mechanized Databases - Much of the information regarding Loop Make Up is stored in manual databases. Bell Atlantic and GTE should provide a plan for transferring the data from manual to mechanized databases. SBC indicated they will comply with this requirement as part of collaborative negotiations, but has yet to provide a detailed plan.

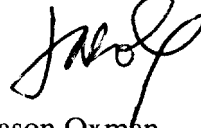
Set Rules for Collaborative. All carriers would benefit from the definition of rules that should be followed in merger collaboratives. Meeting minutes should be distributed after the meeting. A court reporter should be present at the collaborative. Covad believes that the SBC collaborative improved once a court reporter was introduced into the process. Before the presence of a report in the SBC merger collaborative, the ILEC reversed its position on several agreed-upon issues without explanation. The commission should consider adding penalties for non-compliance with collaborative agreements.

Lagging behind the Industry. Bell Atlantic has only one competitive LEC using its EDI interface. That is much fewer than most of the other ILECs. Although the NY PSC concluded that Bell Atlantic OSS interfaces are readily integratable, that conclusion was based on KPMG third-party testing. Covad's review of KPMG testing revealed that KPMG did not perform full integration of pre-ordering and ordering in its NY test.

KPMG's conclusions are inconsistent with present commercial use and industry comparisons. The Commission should require that Bell Atlantic cooperate with all competitive LECs, utilizing the same model the Commission adopted in the SBC/Ameritech merger to implement EDI.

Please do not hesitate to contact me with any further questions.

Sincerely yours,

A handwritten signature in black ink, appearing to read 'J. Oxman', written in a cursive style.

Jason Oxman

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